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Political conditions for European armaments co-operation

REPORT

submitted on behalf of the General Affairs Committee
by Mr. Van Waterschoot, Rapporteur

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1. Adopted in Committee by 12 votes to 0 with 2 abstentions.

2. *Members of the Committee*: Mrs. von Bothmer (Chairman); Mr. Sarti (Vice-Chairman); MM. Abens (Alternate: *Hengel*), Ariosto, *Beith*, Sir *Frederic Bennett*, MM. Berrier, Brugnon, Deschamps, Druon, Faulds, *Gessner*, Gonella, Hanin, Mrs. van den Heuvel-de Blank

(Alternate: *Voogd*), MM. Mangelschots (Alternate: *Van Waterschoot*), Mende (Alternate: *Vohrer*), *Minnocci*, Mommersteeg (Alternate: *Schlingemann*), Müller (Alternate: *Lenzer*), *Péridier*, Perin, *Portheine*, *Reddemann*, Segre, Urwin.

N.B. *The names of those taking part in the vote are printed in italics.*

Draft Recommendation
on political conditions for European armaments co-operation

The Assembly,

Considering that the production of modern armaments is necessary for the economic, military and political independence of Europe while hoping sincerely that the international community will eventually reach agreement limiting the production of and trade in arms ;

Noting that national armies no longer provide a large enough market for any European country to be able to produce armaments at competitive prices ;

Considering that armaments industries occupy an important place in the economies of several Western European countries where they make a major contribution to the maintenance of employment ;

Considering that it is evident that their work makes a worthwhile contribution to the development of scientific and technical research in many fields and to the maintenance of a high level of technology in Europe ;

Considering that the course of an armaments policy depends on the co-ordination of defence policies provided for in Article VIII of the modified Brussels Treaty ;

Deploring the extension of trade in arms, particularly to countries in areas where there is dangerous tension ;

Gratified that the independent European programme group (IEPG) has undertaken the important task of co-ordinating the armaments efforts of the European member countries of the Atlantic Alliance ;

Convinced that only the firm and steadfast determination of states can allow this work to be developed ;

Noting that the modified Brussels Treaty is the only juridical basis for the organisation of defence and armaments in Europe ;

Considering that WEU will therefore be called upon take its place in any future European union ;

Welcoming the fact that the task allotted to the Standing Armaments Committee (SAC) on 31st May 1976 is guiding its work in this direction,

RECOMMENDS THAT THE COUNCIL

1. In application of Article IV of the modified Brussels Treaty, ensure that European armaments co-operation develops along lines which conform to the latest technological requirements and to the defence policy and strategy applied by the members of the Atlantic Alliance ;
2. Keep the Assembly informed, by whatever means it considers appropriate, of the results already achieved in the study undertaken by the SAC, of the progress made and of the goals towards which its work is directed ;
3. Ensure that the SAC has access to the sources of information it needs so that its study may be completed in the reasonably near future ;
4. Study attentively the results of the study with a view to preparing on this basis directives to be addressed to the appropriate authorities in member countries and to the European organisations concerned ;
5. Keep the Assembly regularly informed of the progress of work in the IEPG ;
6. Examine the limitations which Europe should advocate in regard to exporters and importers of armaments and itself to prevent the trade in arms stepping up the armaments race, particularly in areas where peace is threatened.

Explanatory Memorandum

(submitted by Mr. Van Waterschoot, Rapporteur)

I. Introduction

1. At its session in November 1978, the Assembly debated two reports presented by the General Affairs Committee, one on the consequences of the forthcoming enlargement of the European Communities for the defence of Europe and for WEU and the other on Europe's external relations. However, circumstances prevented a major debate being held on the wider and more essential lines of Europe's external and defence policies.

2. In a particularly topical manner, these two reports in fact expressed two political philosophies which seem at first sight contradictory. One was highly ambitious: Europe was to be allowed to play a significant rôle in the world balance by asserting itself as a leading power capable of making its full weight felt in the search for solutions to problems with which the world will have to come to grips between now and the end of the century.

3. The other implied a view of Europe whose influence in the rest of world would be based not on its ability to wield military power but on the idea that its very weakness would give it an original rôle, i.e. the promotion of peace and justice in international relations and within states.

4. However attached one may be to moral and political values as important as the search for peace and détente, the extension of respect for human rights, the development of less privileged countries and the success of the North-South dialogue, it is not evident that the pursuit of these aims alone would provide a sufficient basis for a European policy and, even less, ensure Europe's security. Refusal to consider security problems between Europeans is obviously not enough to ensure peace on our continent and it would cut back sharply its rôle in the world.

5. It is also questionable whether this view of Europe exercising an essentially moral influence in the world, not based on strength of arms, would arouse the enthusiasm necessary to ensure the lasting success of the cause of European unity, particularly among the younger generation. Opinion polls in the various countries in the context of the current campaign for the election of the European Parliament by universal suffrage indicate that public opinion is in favour of developing a Community Europe but also less determined than at other times to

do its utmost to ensure the success of the cause. The fact that Europe has not yet managed to make up its mind about matters as important for its present and its future as its own defence is certainly partly responsible for this relative lack of interest in the European cause among a large part of the population which nevertheless seems favourably inclined towards Europe.

6. In short, the question is whether the preparation of a more elaborate European policy in foreign affairs and defence matters has not become essential to the success of economic and political co-operation destined to lead to the constitution of the European union which all our governments declare to be their aim.

7. Your Rapporteur therefore considers it extremely important to place in a somewhat wider context all matters relating to European armaments co-operation and particularly the symposium to be held in Brussels in October 1979 and to examine whether such co-operation is necessary before studying the general economic, social and political implications of developing such co-operation. This he feels is the rôle of the General Affairs Committee whose report must therefore avoid overlapping with those to be presented by more specialised committees.

II. Western Europe and the armaments problem

8. For several years, the world has witnessed a growth in what is known as the arms race. Its multiple aspects are in no wise limited to Europe and the two superpowers but stretch over a large part of the earth, including the Middle East, Eastern Asia and to some extent Africa. Only Latin America, although not completely out of it, seems to be playing but a modest part.

9. According to *World Military Expenditure and Arms Transfers 1967-76* published by the United States Arms Control and Disarmament Agency in July 1978, military expenditure throughout the world in 1976 is believed to represent 5.8 % of the world GNP, i.e. the equivalent of what the world spends on education and more than double what it spends on health (2.4 %). But whereas the percentage of GNP earmarked for defence in the industrialised countries has dropped sharply in the last ten years, it has risen in the underdeveloped countries which, as a whole, spent as much in 1976 on defence as they did on education and health combined. These are only averages and

some countries show considerably higher figures¹.

10. However, prospects offered by the United Nations General Assembly special session on disarmament held in 1978, hopes of peace arising from the Washington treaty between Egypt and Israel and the favourable evolution of SALT II are pointers that in the next few years the limitation of armaments and, in certain cases, disarmament will at last enter the field of reality. It is evident that a general slow down in military expenditure might have sweeping repercussions on the growth rate of developing countries if they managed to allocate more of their GNP to productive investment and if the industrialised countries set aside slightly more of theirs for assisting the third world. These are prospects which cannot be overlooked in a European policy concerning the production and sale of arms since any limitation of the arms race can but foster both the maintenance of peace in Europe and the development of international trade in which Europe plays a major part.

11. Among the several reasons for the arms race, a prominent one is of course the confrontation between the two blocs. So far, the agreements on security and co-operation in Europe, the SALT I agreements and SALT II negotiations, as well as the MBFR talks, have failed to bring about any reduction in the build-up of

1. According to *The Military Balance 1978-79* published by the International Institute for Strategic Studies, the percentages of GNP spent on defence are given as follows :

(1) *Atlantic Alliance*

United States :	6 %	Netherlands :	3.6 %
Turkey :	5.7 %	Federal Republic :	3.4 %
United Kingdom :	5 %	Belgium :	3.4 %
Greece :	5 %	Italy :	2.4 %
France :	3.6 %		

(2) *Warsaw Pact*

Soviet Union : from 11 to 13 %
Other countries : from 5.9 % (GDR) to 1.7 % (Romania)

(3) *Rest of Europe*

Yugoslavia : 5.2 % Sweden : 3.4 % Others : less than 2 %

(4) *Middle East*

Israel :	29.9 %	Jordan :	15.5 %
Egypt :	22.8 % (in 1974)	Iran :	10.9 %
Syria :	16.4 %	Iraq :	10.2 %

(5) *Asia*

North Korea :	10.5 %	Singapore :	6.3 %
China :	8.5 %	Pakistan :	4.6 %
Taiwan :	8.3 %
South Korea :	6.5 %	India :	3.1 %

(6) *Africa*

Nigeria :	7.8 %
Rhodesia :	7.7 %
South Africa :	5.1 %

(7) *Latin America*

Peru :	3.1 %	Brazil :	1.1 %
Argentina :	2.8 % (1976)	Colombia :	1.1 %
Venezuela :	1.4 %	Mexico :	0.6 %

armaments ; at the very most it has been channelled in certain directions. But hostilities outside Europe, the need for security or the ambitions of certain powers have led them to procure large quantities of the latest equipment. The Yom Kippur war in 1973 illustrated the danger such weapons might constitute for international peace and the need for those who felt threatened to increase and modernise their equipment. Another reason is probably the status states or governments may expect to gain by possessing a modern army.

12. However, the rôle played by industrialised countries in this race should not be underestimated : as producers, they often derive considerable revenue from arms exports which help to maintain the balance of payments which had been in jeopardy since the rise in the price of oil and raw materials after the October 1973 war. The sale of arms is now more than ever a major factor in the trade battle between our countries and for economic reasons they more or less close their eyes to the drawbacks and dangers involved in the spread of modern weapons in areas where peace is often uncertain. For some, arms sales may be part of their policy for keeping a check on their customer countries and for others merely a question of winning markets as in the case of any other product.

13. But in the West other reasons encourage an aggressive search for external outlets for the armaments industries, one being that national armies can no longer absorb the full output of armaments producers in their own countries and the other member countries of the Alliance do not always provide an additional market. They therefore look elsewhere for additional markets and any drop in their exports might jeopardise their ability to produce at competitive prices. Their concern to keep their production capacity intact makes them increasingly dependent on their customers.

14. The armies of the West are now faced with the need to take important decisions affecting the future of the armaments industries. They have to take account of the considerable build-up of armaments by the Warsaw Pact forces in recent years. In spite of the redeployment of Soviet forces to the East, facing China, the Warsaw Pact has acquired undisputed superiority over NATO forces in the West (primarily in the central sector) and to an ever increasing extent on the northern and southern flanks, particularly in tanks and aircraft. If only as a deterrent and for their defence policy to be effective, the NATO countries must make a considerable effort to equip themselves with armaments capable of meeting attacks which are backed by tank and air support. In a work published in 1977, *L'Europe sans défense*, a Belgian general was able to contend that, with the armaments then available, NATO forces were incapable by con-

ventional means of preventing a Soviet offensive reaching the Rhine within three days. Presumably there is no question of equalling the number of tanks and aircraft deployed by the eastern countries but of acquiring the means of defence needed to counter them, which implies concentrating research and production on new weapons which will play a major rôle in the armies of tomorrow: precision-guided missiles, enhanced radiation weapons, lasers, etc.

15. This new course would require a considerable increase in sums earmarked for investment in all the western armies. To this end, since 1978, the NATO countries have agreed to increase their defence budgets by 3 % per year in constant value. This is a valid increase but it will not be enough if it not used rationally to have the maximum effect on NATO's defensive strength.

16. Europe therefore has to meet contradictory requirements: on the one hand, it is clear that the world as a whole is expending too great a proportion of its intellectual, economic and financial resources on the production of armaments which, although leading to useful spin-off in many fields, is in itself sterile. A large amount of money, work and grey matter which might be more usefully employed in research, particularly into new sources of energy, food or medicine, is employed in the manufacture of highly-sophisticated instruments which in the best of cases will pile up in silos, hangars and depots until they become obsolescent and are sent to the scrapyard, which, after all, is better than having to use them. But, on the other hand, such waste seems essential to the maintenance of peace and security in Europe. No serious attempt can be made to limit it without endangering the credibility of the West's deterrent capability which means being able to meet every threat by the most appropriate means: if it is acknowledged that the first requirement of any rational policy is to ensure the security of the population, no pennypinching in the means of doing so can be considered acceptable.

17. The problem now facing the West is how to cut down waste and ensure maximum security at least cost. This is all the more essential since, at the present difficult juncture in the West, security efforts are often misunderstood and hard to accept in the eyes of the public even though the armaments industries may help to limit the the problems of unemployment now troubling most European countries¹. It must

1. It is extremely difficult to obtain detailed, accurate information on the numbers employed in the armaments industries since many firms producing modern weapons or components for weapons systems also work for the civil sector. This is the case *inter alia* for the aircraft, automobile and electronics industries and even, to a certain extent, naval shipbuilding and explosives. It is with some reservation therefore that the following figures

therefore be shown that such expenditure is neither useless nor excessive, and that it is not a burden on the countries' balance of payments. Thus, any procurement of expensive weapons today is normally offset by purchases made by the selling country in the buying country.

18. At the present juncture, everything indicates that, at least within the Atlantic Alliance, this situation is beneficial mainly to American arms producers who can take advantage of the large market represented by the United States army to offer items on outside markets for which the overheads (including research and the development of prototypes) can be spread over very long production runs, whereas European industries have to cover their overheads in the far smaller numbers ordered by their national armies. Compared with their American competitors they are therefore in a poor position on the markets of their European partners. The situation seems even worse when the compensation aspect is studied. Since smaller numbers of finished products are produced in Europe at higher cost, the number of parts and components purchased in exchange has to be increased accordingly in order to offer equal compensation. The phenomenon of the scale of the economy therefore operates doubly in favour of American producers as compared with their European competitors, which explains their frequent trade successes in Europe itself in recent years. Such successes help to limit still further the outlets available to European producers and extend American outlets and therefore accelerate a process which would quickly relegate European industry to a secondary, sub-contracting rôle to the benefit of its American rivals.

19. Hence, it is not surprising that European countries which are the most capable of supplying the more sophisticated weapons should find themselves forced into options which may sometimes be regretted. The choice they have is:

- (i) to promote sales to non-member countries of NATO, particularly those which, for political reasons, are not prepared to procure American weapons or to which the United States refuses or may refuse to sell certain weapons; this obstructs the elaboration of a joint policy by NATO member countries on many international questions, including those affecting the Middle East, and might lead to the progressive destruction of the cohesion of the Alliance;

are quoted for numbers employed in the armaments industries: between 160,000 and 300,000 in France, the Federal Republic and the United Kingdom and between 15,000 and 80,000 in Belgium, the Netherlands and Italy.

- (ii) to accept co-production agreements with American firms on terms which leave them little say in the latter's decisions ;
- (iii) to resign themselves to producing only a limited number of types of weapons for which they are sure of having a wide-enough market, even if they have to rely on the United States to produce other equipment needed for western defence. This option, like the previous one, can but reduce the capability of European armaments industries and eventually, in view of the steady and fast-moving progress of technology, make Europe incapable of producing many of the weapons it needs for its defence for lack of investment and sooner or later for lack of technological know-how. The last two options would thus mean leaving the United States permanent responsibility for Europe's defence and complete control over it.

20. The Americans seem to have realised these difficulties and for several years have been seeking solutions.

21. One step is for the establishment of a two-way flow of trade in armaments between Europe and the United States. In 1978, it led to the signature of a series of bilateral agreements between the United States and European members of NATO to encourage reciprocal procurement of armaments on the basis of free competition. It is clear that these agreements fall well short of providing a satisfactory solution to the essential problem, i.e. the survival of a European armaments industry, because they do not guarantee that the American armed forces will purchase European equipment but merely seek to allow a free market which in this case favours American manufacturers.

22. Moreover, the two-way street is interpreted differently on either side of the Atlantic : Europe considers that the aim is to achieve a balance of arms procurement and sales between the European and American partners, whereas the United States tends to seek a balance between imports and exports of money spent on the defence of Europe, which includes on the American side of the scales the cost of maintaining American armed forces on the mainland of Europe. In this way, the overall balance would show a deficit for the European partners in the field of armaments proper.

23. However, in the United States itself many now consider that the maintenance of a major armaments industry in Europe contributes to the cohesion of the Alliance as a whole. But although some feel that protecting this branch

of the European market may encourage organised production and markets in Western Europe, others on the contrary consider that Europe will only manage to achieve this if it is forced to do so by the merciless laws of the market.

24. Thus, insofar as the forces of the Atlantic Alliance would have to co-operate closely in the event of war and as such forces must be available to SACEUR in accordance with operational needs, it is essential to achieve the highest possible degree of interoperability in the framework of the Alliance, i.e. it must be materially possible for the holder of a weapon of whatever origin attached to a unit of a country of the Alliance to have access, anywhere in the Alliance's armed forces, to supplies of munitions, spare parts or fuel, or to be able to use its means of communication to contact its partners thanks to unified standards, calibres and specifications. This is an operational necessity apparently recognised by all members of the Alliance but still far from being achieved satisfactorily in national armies.

25. This is not a matter of standardisation which would imply a far greater degree of unification of weapons and equipment in use. Some members of the Alliance, including France, are afraid that this concept, based on practical and operational considerations, may, if applied, mean European armies being fitted out with American equipment since each time decisions had to be taken in this field the weight of the United States plus that of countries procuring American equipment would inevitably be greater than that of European manufacturers. But would the reaction of these countries be less negative towards a European standardisation of armaments, perhaps starting with a limited number of categories of weapons? Such an operation should have the immediate effect of favouring European producers on the European market and in the longer run improve Europe's position in negotiations with the Americans on standardisation extended to cover the whole Alliance. Should it not prove possible to make a serious effort to obtain standardisation among the European members of the Alliance, it may well be wondered whether they have any choice other than to conclude the most advantageous agreements possible for the purchase of American equipment.

26. However this may be and whatever attitude the United States eventually adopts, as matters now stand everything indicates that an effort should be made to organise production among the European members of the Atlantic Alliance. There is now little doubt about this and, in many fields, industrialists are making the effort themselves — in aircraft, naval shipbuilding (mine-sweepers) and missiles for instance. Yet, co-operation between states and military headquarters is still far from adequate, despite a

whole series of attempts made in the last thirty years, most of which have so far produced no decisive result.

27. Although neither the North Atlantic Treaty nor the modified Brussels Treaty defines the elements of a common armaments policy, they have both provided frameworks for trying to work out and organise such a policy.

28. (a) FINABEL was set up in 1953 by the chiefs-of-staff of the French, Italian, Belgian, Netherlands and Luxembourg armies, joined by the Federal Republic of Germany in 1956 and the United Kingdom in 1972, with the aim of defining the nature of army equipment requirements, working out specifications jointly, conducting joint tests and holding exchanges of information.

29. (b) The WEU Standing Armaments Committee, set up in 1955 by the signatories of the modified Brussels Treaty, was given a first task of promoting agreements on the joint production of armaments by member countries. In addition, in 1976 it was asked to make a study of European armaments industries.

30. (c) When the idea emerged in NATO of forming a European nucleus, which became Eurogroup, the latter set up a sub-group of armaments directors, EURONAD, in which representatives of all the European members of the Atlantic Alliance except France take part.

31. (d) At the end of 1975, the members of Eurogroup formed the independent European programme group, in association with France. This is not an institution any more than Eurogroup and has no secretariat. There is an annual meeting of under-secretaries of state of participating countries, meetings of national armaments directors and of experts. The latter have three tasks :

- (i) to prepare lists of equipment in use in national armed forces, replacement schedules and the equipment that might be used for replacement ;
- (ii) to study co-operation between member countries in a number of specific projects ;
- (iii) to examine procedural and economic problems which have to be solved if co-operation is to be effective, e.g. competition, technology transfer, compensation, trade, industrial co-operation and procedure for developing new weapons systems.

32. (e) Finally, the importance of bi- or multi-lateral programmes carried out by certain member countries should be underlined, particularly in the aircraft and missiles industries. So far, such undertakings have given the best results where production is concerned.

33. With the exception of this last case, it is clear that results achieved are in no way commensurate with the effort made : although FINABEL's aims were modest, this was not so for the SAC, yet its work has come to little, although it may take credit — to a degree difficult to assess — for much of what has been achieved at bi- or multilateral level since the SAC on the one hand has made national authorities come to grips with the problem of European co-operation and on the other it has brought together qualified representatives from the Defence Ministries. Finally, provided there is sufficient good will to facilitate its task much may be expected of the study which it is making of European armaments industries about which today only partial, abridged and inadequate information is available.

34. Eurogroup, for its part, has now lost much of its reason for existence where armaments are concerned since the IEPG has so to speak taken its place, but it is yet too early to review the group's achievements since it was formed so recently. It should be pointed out, however, that some believe it will play a leading rôle in the near future but information available about its effective working fails to confirm this optimism in view of the difficulties it seems to be encountering in tackling economic problems and the small number of specific projects which seem to be taking definite shape.

35. Apart from these efforts at institutional level, it should be added that in this respect the WEU Assembly for its part has constantly played a driving rôle by urging the governments of member countries to promote European co-operation in armaments matters. Numerous reports, symposia organised by the Committee on Scientific, Technological and Aerospace Questions and by the Committee on Defence Questions and Armaments and approaches made by many of its members to their countries' authorities all add up to shape what may be called a true Assembly doctrine, over and above the inevitable differences which emerge from time to time regarding the possible ways and means of such co-operation.

36. On the ultimate goals, it has in fact always been widely agreed that the aim of European armaments co-operation was to maintain and increase Europe's capability in this field so as to strengthen its general economic potential and improve the effects of efforts made by each state for the common defence and to ensure that Europe was more independent of American production so that it might be better able to take upon itself the options which are essential for its defence.

37. The problem of armaments cannot be separated from the more general question of defence policy and the strategies adopted by the

Atlantic Alliance and also from their use as envisaged by national military staffs. An armaments policy is not built on purely technical or industrial bases but is designed to provide the armed forces with the means they need to fulfil their rôle. Yet, it would appear that, apart from limited forces assigned by a few countries for possible distant attack, all the forces of the Western European countries would have to be deployed or in any case exercise their deterrent effect on the same terrain in the event of hostilities. From this point of view, the situation of France, which is outside the NATO integrated command system, is no different from that of the other Western European countries since France has its place in the second line of western forces deployed in the Federal Republic of Germany.

38. There is every reason to think that the requirements of these forces on the same battlefield will be identical and that a weapon which is suitable for one European country will also be suitable for all the others. It would therefore seem logical for all the Western European countries to have the same weapons, and in this case the principle of economy of scale would apply to the full. Indeed, the growing cost of sophisticated weaponry forces each national army to use less of a given item of equipment. For instance, the number of aircraft deployed by most European countries is considerably less than just before the second world war.

39. It has therefore become much more costly to set up production lines and it is also taking much longer to do so. Once lines have been set up, the cost price of each finished item becomes higher as runs become shorter in view of the vast sums needed for what is now known as research and development. The fact that the Western European countries have in the last ten years had to reduce drastically the proportion of their gross national product earmarked for defence makes them wait longer than desirable before replacing obsolete equipment, to the detriment of the efficiency of their forces.

40. It would therefore seem quite logical for these countries to pool their resources, efforts, research and technology for the design, development and production of what might be a uniform item of equipment. It may naturally be considered that the American armed forces deployed in Europe have requirements similar to those of European troops and that there might therefore be co-ordination at Atlantic level. However, American military authorities have to plan the deployment of their forces not at European level but at world level. At one time, many American forces were deployed in Vietnam. The United States is now considering sending troops to the Near or Middle East. They must be prepared for fighting on the shores of the Pacific or of the Atlantic, in polar or tropical regions and in a

very wide range of climate, vegetation, terrain and population.

41. For instance, for the Vietnam war the American army developed a large number of new types of weapon. The American military authorities therefore have to equip their forces with more polyvalent weapons than those needed by the European forces or with a far wider range of weapons. Joint production of armaments by Europeans and Americans is not impossible. Most Western European countries do so on a bilateral basis in a manner corresponding to their respective economic structures, and in 1978 several of them signed agreements with the United States for developing trade in this field. But it cannot be as general or complete as it might be between European countries.

42. The fact is that there is no lack of bodies responsible for co-operation but twenty-five years' work are far from having produced conclusive results.

43. There are various reasons for this slowness or even failure.

(a) Political reasons

44. Possibly some countries, anxious to retain a degree of independence vis-à-vis their allies, are not kindly disposed towards too much standardisation which would make them dependent on foreign suppliers for some of their weapons. However, too much importance should not be accorded to such reasons. Indeed, France, which has steadily proved to be the country with the greatest concern for its independence of decision, is also one of the most zealous in organising joint production of armaments by Europeans in such bodies as the SAC or the IEPG and through bilateral agreements.

(b) Commercial, economic, social and financial reasons

45. In recent years, the European countries with the largest production of the most varied armaments have developed a policy for sales of arms abroad¹. This is the case *inter alia* of

1. Statistics on the arms trade are usually fairly unreliable and do not always tally. According to *Die Welt* of 19th April 1979, in 1976 this trade represented a sum of \$13,300 million. It reported that the principal exporters were :

	\$ million
United States :	5,200
Soviet Union :	3,700
France :	840
Federal Republic of Germany :	636

The principal importers were then Middle East countries :

	\$ million
Iran :	1,400
Israel :	947
Iraq :	765
Libya :	741

France, the Federal Republic of Germany and the United Kingdom. They were encouraged in this direction by the increase in the price of oil and a number of raw materials which forced them to increase sales of manufactured products, including armaments, in order to stabilise their balance of payments. This led them to view the armaments they produced no longer merely from the point of view of Europe's defence but also from that of possible markets. Particularly in countries which are not large-scale exporters of armaments, there are growing complaints about sales of armaments which at least part of public opinion considers to be dangerous for international peace, whereas the governments of exporting countries often seem anxious to retain a free hand in this field. This does not facilitate the co-ordination of the production of armaments between European countries, although the difficulty must not be exaggerated since certain jointly-produced armaments, such as the Jaguar training and tactical support aircraft, have found good markets abroad.

46. Conversely, even in Europe there sometimes seems to be the utmost difficulty in finding purchasers for armaments produced in Europe. Preference often goes to armaments produced abroad, particularly in the United States, because of their lower cost or more rewarding industrial compensation, which factors carry considerable weight among purchasing countries. In recent years, this was the case for a number of aircraft deals, particularly in Belgium and the Netherlands.

47. But it must be observed that in the absence of organic co-operation between producers of aeronautical equipment in Western Europe these countries have had to choose between bids not from Europe but from individual European countries and the United States. Decisions were reached in the light of national interests because the bids were national bids. In several of the most important cases, national interests led them to opt for the procurement of American equipment and this will probably always be so as long as their industries are not directly involved in equipment produced by the whole of Europe rather than by a single European country. As long as production conditions remain unchanged, there is every reason to fear that European solidarity will not be enough to allow governments to purchase, perhaps at a higher cost, equipment produced by European industries.

48. This leads to a third aspect of the economic obstacles to the joint production of military equipment by the European countries. Such production would certainly involve a far-reaching restructuring of firms and it is to be feared that this might lead to a drop in the overall level of employment. The crisis prevailing in Europe

since 1973 has made it very sensitive to such consequences. However, it must be borne in mind that in the longer term rationalised production, far from limiting employment possibilities, improves them insofar as it makes European products more competitive on the European and world markets.

(c) *Juridical reasons*

49. The status of armaments industries differs from one Western European country to another since some parts are nationalised and others are privately-owned. Moreover, whatever their status, states have had to keep tight control to prevent clandestine exports of armaments and to ensure the maintenance of production capacity whatever the economic situation.

50. Progress in European economic integration is now reaching company rights, but those producing armaments have very largely escaped Community intervention, for instance where regulations protecting free competition are concerned. It would therefore seem essential if any progress is to be made towards wider co-operation to attain some degree of uniformity of state control methods and procedure, labour legislation and protective regulations in order to achieve joint production on the basis of inter-firm or inter-state agreements or through the creation of multinational groups for the development of new weapons. One of the aims of the symposium to be held in October might be to determine how such joint production could be organised.

51. Here, mention should be made of the WEU Council's instructions to the Standing Armaments Committee in May 1976 to undertake a far-reaching enquiry for the purpose of studying and analysing the European armaments industries. According to information communicated by the Council, the Standing Armaments Committee has completed the section of its enquiry on the juridical aspects. It is regrettable that the Council did not consider it desirable to transmit to the Assembly more information on the contents of this chapter as it promised in reply to Recommendations 293 and 299. The question is probably not to ask the Council to communicate to the Assembly the full text of a report written for governments since this might incite some of them to be restrictive in supplying the SAC with the information it needs for pursuing its enquiry. However, it would be natural and highly desirable for parliamentarians, who have to give their views in their own countries on the adoption of defence budgets and hence on matters relating to the procurement of armaments, to have as much information as possible about the prospects of European co-operation in this field.

52. In any event, the mandate given to the SAC is clearly defined, since :

- (i) although set in the context of "possible rationalisation on a European scale", it calls for "a descriptive analysis of the situation", thus depriving the SAC of the right to submit any form of recommendation. As such, this is already a considerable and absolutely new task ;
- (ii) the enquiry is limited to a "definition of the armaments sector", the "collection of economic data" and a study of the "legal status of firms and domestic legislation", i.e. it takes no account of other types of obstacle ;
- (iii) the SAC is asked to "take account, in particular, of the tasks undertaken" by the IEPG without specifying how far the SAC's study is to depend on results achieved by the IEPG, particularly in the definition of standards on which to base its definition of the armaments sector.

53. However this may be, it is quite clear that apart from the points raised in the SAC mandate there are other obstacles whose importance should not be overlooked, as implied by the Council in its reply to Recommendation 309 :

"The sole purpose of the study at present being carried out by the Standing Armaments Committee is to describe the economic and legal position of armaments industries in member countries. It is not required to include any political assessments or conclusions leading to the regulation of the sale of arms..."

(d) Military reasons

54. It is difficult to assess the rôle military reasons have played, but it would appear to be considerable. This is due to the high degree of independence enjoyed by each country's military authorities. They all have their own traditions, staff, working methods and equipment replacement schedules. Financially they depend on national budgets and must obtain the sums they require from national parliaments or governments. They define their requirements in the light not only of the needs of an overall European defence but also of all these factors and the rôle of these factors in decisions taken must not be underestimated. The only remedy would be to compel military authorities to define their requirements together, to agree on the type and specifications of the equipment they need for the years to come and to set up a body capable of taking decisions in the event of differences and disputes in order to define equipment adapted to the needs of a European army in stages to be determined jointly and in advance.

55. One of the tasks of the independent European programme group is to meet these requirements and its Panel I has the specific task of taking stock of requirements on the basis of NATO defence plans. But the IEPG seems to be progressing only slowly towards the definition of equipment, however valuable its work may be, and there is probably no reason to doubt this even if available information on the matter is very sparse. This is probably due to the fact that armaments experts taking part in its work do not sufficiently commit the military authorities for which many other factors and constraints count very strongly. The logical solution would obviously be to set up a European military headquarters, i.e. a European army. It is hardly possible to consider this at present, so the search if not for a solution at least for an improvement in the present situation should be made through increased consultations between national military authorities.

56. Failing such arrangements, it is to be feared that attempts by government experts to align national definitions in forums such as the SAC, Eurogroup and the IEPG will never achieve anything more than mediocre results.

III. European defence and defence of Europe

57. Now, as thirty years ago, much ambiguity still surrounds the aim pursued by those who speak of Europe. Is it a step towards a wider form of society, western today, world-wide tomorrow, in which the state in its traditional form would be destined to decline ? Or, on the contrary, is state power to be strengthened by separating it from over-narrow national societies and adapting it to the needs of this century ? Are national entities to be strengthened so as to hold each other up in a confederal system in order to allow them to face the twenty-first century ? The first option seems the most rational, the most in conformity with a moral philosophy which refuses to set the state or nation on a pedestal and offers the best prospect for the fulfilment of mankind.

58. But can one act as if the triumph of universal reason was sufficiently certain and anticipate the decline of the state ? What would be the worth of a policy which was not based on a strict analysis of the facts and on an assessment of the threats and the means of meeting them ? Should the future be planned as if the security of an international system was guaranteed ? Consideration of collective security, i.e. each country's defence policy, cannot be dispensed with.

59. In Europe, such a policy no longer has to lean on feelings once thought of so highly. For the people of Europe, war is no longer a means of pursuing a policy ; the aim of defence is to ensure the survival of the population by avoiding war. It must therefore be stripped of all the

finery surrounding military things and tackled with the coolness of the chess player.

60. What is to be defended is the possibility for the society in which we live to determine its own present and its own future. Who is threatening it? Those who might be tempted to determine them in its stead either by enclosing it in a system which would progressively stifle its freedom of action or by threatening to use force to make it come to terms. Faced with this twofold threat, all Europeans are in an identical position even if they do not see it in the same way because they have all inherited costly and inefficient institutions from the past: a conscript costs more than a horse guard but is probably no more useful when faced with nuclear missiles.

61. An attempt may be made however to define a few guidelines:

62. (i) The aim of any defence policy in Europe is to deter attack.

63. (ii) The essential element of deterrence is the strategic nuclear weapon.

64. (iii) Europe alone does not have a strong-enough nuclear deterrent. It therefore needs an external deterrent.

65. (iv) The external deterrent is not enough since it is not conceivable that the United States should risk the destruction of its cities for the sake of meeting a limited attack on European territory.

66. (v) It must therefore be completed by a limited deployment of forces designed merely to deter local attacks by demonstrating that Europe can and will stand firm and any escalation would involve the risk of nuclear war. The numbers deployed should not be too great since this would weaken the deterrent by increasing the probability and credibility of limited hostilities. They should be limited enough to show that Europe cannot allow its fate to depend on the outcome of one battle but strong enough to show that it is determined to defend itself.

67. (vi) To play its rôle, this limited deployment must be efficient, i.e. it must have the backing of the most appropriate weapons constantly adapted to the needs of a doctrine which takes account of the possibilities of the latest weaponry. Thus, to offset the enormous superiority of the Warsaw Pact in tanks and aircraft, it is not necessary to have an equivalent number of tanks or aircraft but:

(a) a defensive doctrine allowing the challenge to be met;

(b) weapons to back up this doctrine;

(c) officers and men fully conversant with this doctrine and these weapons.

68. All information currently available on the deployment of NATO forces indicates that for political reasons there is some confusion as to the type of doctrine which would be applied in the event of attack, that all sides are hesitant to use some of the weapons known to be the most effective, that officers are often trained in accordance with out-of-date doctrines and that the troops are far from having mastered the use of modern weapons which they are moreover not always equipped.

69. However, the cries of alarm raised in certain military circles in recent years have not gone unheeded. It is clear that consideration of the possibilities of rethinking strategy has developed in a particularly remarkable manner. For the first time since the second world war, this has not been a purely American or Soviet phenomenon but has spread to Western Europe where defence research institutes have been increasing in numbers for the past fifteen years and there has been a renaissance, if not of a doctrine, at least of an endeavour to take account of present-day political, military, economic and technical data. A bibliography of reviews and other publications on this research published in recent years would be very long. The symposium organised by the Committee on Defence Questions and Armaments of the WEU Assembly in 1977 illustrated the work of advanced industries in the armaments field. The slight increase in sums earmarked for investment in the defence budgets of most of our countries and the redeployment of some of their forces show a definite will to adapt to new circumstances. Are these efforts enough? For many reasons, it is doubtful.

70. (vii) While the defence of Europe is based on strategic deterrence and tactical deployment, it is evident that at the present juncture strategic weapons are held by a small number of powers and for various reasons this situation will not change for a long time to come. On the contrary, Europe is forced to consider what might be the battlefield in the war of tomorrow so as to exercise the supplementary deterrence needed for the credibility of overall deterrence. This is the field in which the most spectacular progress has been made in recent years both in nuclear and conventional weapons and in the doctrine for their use. Most probably, the development of the strategic arms limitation talks, by blocking strategic armaments, helped to guide research towards what are known as the grey zones.

71. (viii) Europe currently has the means to back up this policy which it has been pursuing successfully for the past thirty years. But it could pursue it more cheaply and effectively if it managed to transform the *de facto* solidarity of European firms into a common defence undertaking. It is prevented from doing so by the heavy burden of national pasts: what with the

fears of smaller countries, which prefer the hegemony of far-away America to that of a powerful neighbour, speculations about the prestige conferred on larger countries by their relative force, nostalgia for past glories and established positions in military headquarters, everything opposes a cool analysis of aims and means.

72. This does not mean that there is no basis for co-operation between Europeans in defence matters because, in 1954, the modified Brussels Treaty instituted WEU. The task of the WEU Council was to promote continuing consultation between governments, necessary if the essential provision of the treaty was to work properly: the automatic assistance clause in Article V. But very soon — in some instances from the outset — WEU relied on other bodies to exercise a number of its responsibilities: NATO for defence matters, the Council of Europe for cultural and social affairs and the EEC, once Britain became a member, for economic affairs. Its rôle has therefore been confined to ensuring that these responsibilities were really exercised by the organisations to which they had been entrusted, account being taken of the fact that WEU does not have the same membership as the European Community nor the same way of working since it has no supranational elements nor the same powers. It does not form part of the European Community except insofar as the treaties of alliance provide an essential basis for any common European policy in any field whatsoever.

73. The weakness of the European pillar of the Alliance is an element of imbalance in the Alliance and of division between Europeans. Attempts to remedy this, such as the Harmel plan, have had only partial results. For the defence of Europe, American and European views do not necessarily concord. The first aim of any American government is the survival of the United States and its inhabitants. This may result in a strategy rather different from what Europeans would like, involving a more ready acceptance of the possibility of a limited war whereas for Europe any war, even limited, would be catastrophic. Again, Europeans know that there is every chance that their territory will become a battlefield in the event of hostilities between the United States and the Soviet Union and therefore they wish NATO to pursue an offensive strategy — which does not mean an aggressive defence policy — to avoid fighting on their territory. Conversely, the United States can accept a strategy which tolerates more flexibility in the use of space to allow more effective use of its armed forces.

74. Naturally, for many years, the North Atlantic Council and the NATO Defence Planning Committee have been used for discussions between allies on these strategic concepts. The

Europeans have obtained considerable advantages there such as the adoption of the forward strategy. But they may still wonder how far the means at the disposal of NATO in face of the massive deployment of forces in Eastern Europe are in a position to guarantee the application of the principles on which the allies have agreed. In point of fact, they can hardly complain because their contribution to the common defence effort, in spite of increases in 1978, is still less than that of their American allies and *a fortiori* than that of the Soviet Union or the Eastern European countries.

75. The search for détente and above all the limitation of nuclear weapons also brings out different points of view among Europeans and Americans.

76. (i) There are differences over the nature of the balance which must be organised and maintained. Whereas the first preoccupation of the United States is the maintenance of an overall balance between the strategic nuclear weapons of the two great powers, Europeans are primarily anxious that NATO should continue to wield the means necessary for local deterrence in Europe. The development of new weapons in recent years and decisions taken by the United States Government to limit their development — for instance, in the case of the neutron bomb — raise problems for the Alliance which yet seem far from solution.

77. (ii) In another respect, the Soviet Union seems keen on having the third round of SALT include western nuclear armaments as a whole, including those of France and the United Kingdom, in the overall calculation of the strategic nuclear potential of the western partners. For the moment, France and the United Kingdom seem reluctant to have their military arrangements included in negotiations between the two great powers, even if they were to be more closely consulted by the United States in the course of such negotiations.

78. (iii) Finally, in the case of détente proper, there have sometimes been sharp differences between American views and those of certain European countries about the nature of the provisions of the Helsinki final act. Europeans have tended to lay greater stress on the provisions which concern non-intervention in the internal affairs of states whereas the United States has laid particular emphasis on those relating to respect of human rights.

79. Admittedly, there is nothing fundamental in these differences and they in no way call in question the principles on which the Alliance is based. Nevertheless, the very different weight carried by the European states on the one hand and the United States on the other within the Atlantic system and throughout the world makes

it very difficult for consultations between allies on problems relating to the general course of the Alliance to operate smoothly.

80. These various considerations indicate that the defence field is the one where the greatest differences still exist between members of the European Community. It was not by chance that the EDC failed but for deep-rooted reasons whose effects are still felt today : France's recent request to its partners to change the responsibilities of Euratom to make Community activities compatible with the development of its own nuclear force is further proof. As long as this situation prevails, it would be dangerous for the future of the European union to link defence policy too closely with the Community institutions. First, certain countries would very probably object from the outset. Subsequently, if a few immediate results were achieved, they might be called in question shortly afterwards and, what is more serious, result in the overall Community achievements being challenged.

81. This does not mean that Europe should neglect joint and detailed examination of its defence, it is merely that one should not rush into linking this examination too closely with the institutions of the European Community. This observation is not unrelated to a study of the prospects of European co-operation in armaments matters.

IV. Organisation of Europe and defence problems

82. The question obviously arises as to what extent a European armaments policy can or should be the business of the European Community. It would be undeniably logical for the European Community, which is responsible for co-ordinating the whole of Europe's economic policy, to take the place of states for armaments production and trade as it has done for the coal and steel industries, nuclear energy and agriculture. This point is strongly emphasised in the report on European armaments procurement co-operation submitted to the European Parliament by Mr. Egon Klepsch, Rapporteur of the Political Committee, on 8th May 1978 (Document 83/78). In adopting this report, the European Parliament called on the Commission "to submit to the Council in the near future a European action programme for the development and production of conventional armaments within the framework of the common industrial policy".

83. However, if suggestions are to be made only if there is a possibility of applying them, the fact must be faced that the armaments industry has a number of special characteristics and, however necessary it may be, here European co-operation runs up against difficulties which

have been described in the previous chapter. It is already evident that the Commission is hardly equipped to respond to the invitation of the European Parliament and there is every reason to think that the Council of the Community would not, at the present juncture, wish to take over such a programme, on the one hand because the Community now includes one country, Ireland, which would not agree to take part in a joint defence policy and on the other because France has so far refused to discuss in the Community framework any matter relating to defence. It already showed its radical opposition to the procedure envisaged by Mr. Klepsch when the latter submitted his report to the IEPG. Answering a written question put by a member of parliament on the subject, Mr. Barre, French Prime Minister, said on 18th December 1978 :

"... The Chairman of the IEPG reported on this visit at the meeting of the group held in Rome on 3rd October at the level of national armaments directors... at the express request of the French Delegation the group did not take note of Mr. Klepsch's report but only of the statement by the Chairman."

Answering a question by another member of parliament on 14th December 1978, Mr. François-Poncet, French Minister for Foreign Affairs, said :

"... the European Economic Community can neither have nor acquire responsibilities in respect of defence policy. Armaments policies, which naturally form an essential part of defence policy, are also a matter for member states. As far as the government knows, the Commission has not contradicted this interpretation although certain of its members noted that the EEC might, by taking industrial and customs policy measures, assist in the elaboration of a European armaments policy. The government has already had an opportunity of specifying in reply to other questions on the same subject that it is determined to oppose any attempt by the Community institutions to take action in a matter which is outside the field of application of the treaties. It notes that no proposal of this kind has been made."

84. As pointed out by your Rapporteur, European armaments policy is not solely an emanation of industrial policy and although he is convinced that it must take its place in the future European union this does not necessarily imply that the Community must take it over in the immediate future. So far, European governments have organised co-operation in this field outside the Community framework and these efforts must neither be slowed down nor *a fortiori* broken off because of an institutional difference. On the

contrary, an examination must be made to see how they can be increased and made more effective at the present juncture.

85. It is quite evident that the nine-power political consultations bringing together the members of the European Community form the framework in which this common external policy essential for the effective development of joint production of armaments can be worked out. However, in these consultations, the Nine have not yet tackled matters relating directly to the defence of Europe either because some of them do not wish to consider such matters outside NATO or because others do not want to become too closely linked with NATO through the intermediary of these consultations.

86. Conversely, the North Atlantic Council holds many consultations on such matters, but NATO covers only a clearly-defined area whereas crises and tensions are on the increase outside this area. Most European countries have interests in or links with other parts of the world, but they vary considerably from one country to another. On the other hand, the United States now has world-wide interests and responsibilities which means that through its action anywhere in the world it commits allies who pay only a fairly remote rôle in formulating decisions which nevertheless concern them.

87. The reactions of the European public to the Vietnam war are a demonstration of this weakness. But one may wonder whether more recent crises in Africa, the Middle East and the Far East may not further upset at least a part of European public opinion.

88. Such difficulties have apparently already affected the process of consultation in NATO. Atlantic News No. 1101 of 23rd February 1979 analyses the progress of consultations as follows :

"It is on questions outside the NATO region that allied cohesion disperses, and — which is more serious — there is resistance by certain nations to any attempt to formulate even an agreed NATO analysis of such problems, much less an agreed NATO position or policy for action by the West. Any member nation is of course free to raise any subject for discussion that it wants to, but that is as far as the matter can go. Other nations can — and do — state that they will only listen to the discussion, that they will make no contribution to it, and that they will, in effect, veto any effort to formulate any Alliance analysis or solution regarding it. Certain nations do this consistently. Others do it variably, according to what 'extra-NATO' problem is raised.

This in turn has led to discussions in Alliance circles as to whether or not the traditional NATO policy of acting only on consensus (that is, unanimity) of all members is still relevant to the new challenges coming at the West from regions outside the NATO area.

Dr. Henry Kissinger articulated the problem precisely in an interview published in the International Herald Tribune last December. He said, 'We and our allies must have a capacity for regional defence inside and outside the NATO area. If we do not develop this, then in the eighties we are going to pay a very serious price. The first instalments are already visible'."

89. The attempt to hold consultations on a more restricted basis as at the summit meeting in Guadeloupe in January 1979 does not seem to have produced conclusive results. Reports available indicate that there was no prior consultation either in the framework of NATO or among the Nine, which is all the more regrettable in that many European members of the Alliance, not to mention Canada, were not represented. The concept of a directorate of the larger powers replacing a faltering Europe cannot be a solution to the questions raised by co-operation between the United States and its European partners.

90. The greatest uncertainty therefore hovers over the way a European foreign policy can be worked out from the moment it is a question of defence. Consequently, Europeans often find they are unable to assert their views on questions discussed in the framework of NATO because there is no European policy on such matters : concepts which are to become those of the Atlantic Alliance are prepared in Washington and the European policy of the United States Government is then to induce its European partners, one by one, to endorse its views, not because it wishes to stifle a European voice — it has often urged Europeans to organise themselves — but because, in the absence of a clear response from Europe, it can hardly do otherwise.

91. Moreover, on questions relating to common security but not the responsibility of NATO, the absence of consultation sorely paralyzes Europe or, even worse, sets Europeans against each other on matters over which they do not, *a priori*, fundamentally disagree. This was evident in 1977 during the disturbances in Zaïre. Both France and Belgium sent limited forces to carry out missions in Kolwesi. But the two missions were based on different concepts and appeared to compete with each other whereas everything called for joint action by the Western European countries to ensure the repatriation of Europeans and help to restore peace in the area. The consequences of conducting two operations

might have been most serious and Europe should do its utmost to avoid any recurrence.

92. It is precisely for matters which do not concern NATO, because they are not related to the area covered by the North Atlantic Treaty, or the Nine, because they relate to security, that the WEU Council is, under the modified Brussels Treaty, obliged to meet and consider measures to be taken under Article VIII, paragraph 3, of the treaty :

"At the request of any of the high contracting parties the Council shall be immediately convened in order to permit them to consult with regard to any situation which may constitute a threat to peace, in whatever area this threat should arise, or a danger to economic stability."

93. In none of the other treaties now associating the Western European countries are there any equivalent undertakings and although it is quite right for the WEU Council to rely on wider organisations to exercise those of its responsibilities which they can exercise, it is still committed to intervene directly when the problems arising are not within the purview of these bodies. The Assembly has asked it to act on many occasions, particularly when it adopted the recommendation in the report presented by Mr. Leynen on behalf of the General Affairs Committee in November 1975 (Document 680). This was also the sense of the address by Mr. Michel Jobert, then French Minister for Foreign Affairs, on 21st November 1973. As long as no other European organisation has effective responsibilities in these matters, the proposals he made on that occasion and which were endorsed by Mr. Bernard-Reymond, French Minister of State for Foreign Affairs, and Mrs. Hamm-Brücher, Federal German Minister of State, at the Assembly's last session, retain their full importance. The French Minister said :

"For an undertaking in the interests of security such as I have attempted to outline, with détente allied to defence, Western Europe Union has its part to play and is not without importance.

I do not forget that the treaty setting up WEU created an alliance among seven European countries. If all its members were in agreement, WEU could constitute a valid theatre for the thinking and talks which I have just suggested. These, today, are more necessary than ever, for Europe must now concern itself with a future which may not be very distant. It must, in any case, concern itself with strategic developments themselves, which have called into question so many programmes that we go on pursuing more through wishful thinking than from conviction.

... Why, for example, should the horizon of our thinking, and indeed of the organisation generally, not be widened, both in detail and as a whole, so as to take on a real European dimension ?"

94. Possibly members of the European Parliament may wish to use the new authority deriving from their election by direct universal suffrage to have the Community authorities intrude in armaments, if not defence, matters. There seems little chance of their succeeding, but should they do so, it is to be feared that the governments may take advantage of the fact that the European Community binds them to no formal commitment in this field to evade sooner or later any form of control or co-ordination which they do not consider to be in their immediate interests.

95. Compared to this, under the modified Brussels Treaty the seven signatories accepted specific commitments in defence and armaments policy. Signatories are bound by Article IX, under which the WEU Assembly's responsibility covers the application of the whole treaty, which means, as the Council has often recalled, that it is the only European parliamentary assembly with responsibilities in defence matters. It receives a report from the Council and is therefore entitled to be kept informed of the activities of the Standing Armaments Committee which depends on the WEU Council.

96. But while it is true that the Council's responsibilities may be exercised by other organisations such as the Council of Europe, the European Community for economic matters and NATO for defence questions on which it reports to the Assembly, this should also be true of the IEPG whose prerogatives come within the Council's responsibilities. It is therefore perfectly logical and in conformity with the modified Brussels Treaty for the WEU Council to report to the Assembly on the work of the IEPG.

97. In 1978, the Council assumed quite a clear commitment in this sense when, in answer to Recommendation 319, it affirmed that :

"... the duty which belongs to the Council alone of informing the Assembly on all aspects of the application of the modified Brussels Treaty forms a major aspect of their political activities.

The Council therefore intend to meet the Assembly's request for fuller information on consultations between member countries on matters relating to the application of the modified Brussels Treaty..."

98. Answering Written Question 191, the Council, in the enigmatic style of which it is so fond, stated that :

"With regard to the joint production of armaments, the Assembly was informed

that the Council had begun a study which resulted in the mandate adopted in April 1977, calling on the Standing Armaments Committee to undertake the study now in progress of the situation in the armaments sector of industry in the WEU member countries.

.....

With due regard for the confidential nature of their deliberations, the Council will continue to inform the Assembly in the appropriate manner of any questions raised by the member governments in this context."

99. It may however be wondered whether the seven WEU governments would be prepared for the IEPG to report directly to the Assembly. If not, consideration should be given to what their true objective was when they sought to develop European armaments co-operation in the framework of new organisations which had no ties with international institutions or treaties. The sparse results achieved in these unofficial bodies do not even allow them to quote efficiency as a reason. Is it not just a question of avoiding parliamentary control because the seven governments are unable to agree on the type of information they may communicate to a parliamentary assembly since their consultations on such matters are still in a state of gestation ?

100. However this may be, WEU is still the only European assembly with defence responsibilities and the only truly European institution with the task of keeping watch on the application of a treaty of alliance between European countries, and one day or another it would be desirable for this treaty to be merged with those establishing the European Community so that defence matters may take their place in the future European union. The fact that WEU has not yet carried out fully the task entrusted to it by the signatories of the 1954 agreements does not mean, as is sometimes implied, that it has a contagious disease. It is the governments that, for various reasons, overt or covert, have not wished to make the most of the instrument they gave themselves. There is no reason to think that they would agree to do something outside this framework which they do not wish to do inside it.

101. In any event, Europe must be allowed a future in defence matters by keeping intact the treaty itself and the bodies responsible for applying it. To claim to consider the treaty as negligible compared with the Atlantic Alliance and the WEU Council as pointless compared with nine-power political consultations would *a priori* deprive Europe of the only grip it now has on defence matters and consequently jeopardise the future European union. It is not by neglecting or

destroying what already exists that the future of Europe will be prepared, but, on the contrary, by developing it and making the most of what the treaties as they now exist offer for organised co-operation.

V. Conclusions

102. Behind this at first sight rather limited problem of co-ordinating the armaments production and co-operation of European industries is the far wider problem of what kind of Europe it is possible and desirable to build today, since these matters involve the national responsibilities to which states are the most attached. Today, everything indicates that the store set by some in the building of a federal Europe cannot come to fruition immediately and at best the Europe of tomorrow will still be confederal. Defence and armaments are still the most serious obstacle in the way of European union.

103. But whatever its framework, Europe will have to meet the requirements of its population, particularly in terms of employment, the economy, the standard of living, protecting the environment and energy. But it must be given the means to do this. European co-operation must not be just a question of dividing the burden of a world crisis on the various national economies but a means of overcoming the effects of this crisis by improving the organisation of production and a better division of employment and consumption. It is clear that the armaments industry has its place in such a Europe even if it must remain outside the responsibilities of the European Community for some time to come.

104. Europe will also have to rise to the aspirations of the younger generations who, in the over-narrow confines of the national states which are a legacy of the last century, no longer find room for developing their initiative and hopes. They are showing growing concern about the limited prospects available.

105. It is not in the type of international co-operation in which Europe's industrial rôle would be reduced to one of subcontractor of greater or lesser importance that Europe would be able to provide work for its research workers or technicians for very long. It must retain all its creative possibilities if it is to stop a brain drain that has threatened its future for a long time already. Just as it will have to come to grips with all the problems relating to energy production, it will have, if it wishes to keep control of its future, to assume responsibility for everything relating to its armaments and, more generally, its security, even if this has to be in the framework of an alliance and in close co-operation with the United States.

106. Your Rapporteur did not wish to go further into this subject as he knew it was to be considered in greater depth by the Committee on Scientific, Technological and Aerospace Questions, on a report by Mr. Valleix. He will therefore merely emphasise that, apart from its military and economic aspects, the joint production of armaments brings into play a whole series of political factors which he has sought to describe in this report, the main one being the independence of the Europe of tomorrow, i.e. its ability to retain responsibility — in the framework of the alliance with the United States, admittedly — for matters relating to its own defence and its rôle in the world.

107. Your Rapporteur has attempted to list the obstacles which have stood in the way so far: practically all of them are tantamount not to a refusal, but to an absence of political will which has allowed too great a rôle to be played by the protectionist reflexes of nationalised or private firms and the states themselves or even of administrative departments which are in principle under the political authority of the state but are often skilful in asserting special or limited interests. In the case of armaments, this is often so for military authorities. But insofar as the production of armaments involves many industrial firms it should be noted that in many cases the latter do nothing to help to form the groups, mergers or consortia necessary for joint production. From this point of view, nationalised firms seem no more flexible or co-operative than private firms and may sometimes be suspected, on the contrary, of benefiting from their situation by confusing their own short-term interests with those of the public. This means that a political

will clearly expressed by the state authorities might, in most cases, overcome these obstacles. But such a firm will is only too rarely apparent.

108. Undeniably, progress in the study by the SAC in the framework of WEU will be a criterion of the governments' will. How much assistance, documentation and information will they provide for this study which they themselves commissioned? Information obtained so far points to very little. And then, once the study has been completed, if it is not lost in the sands of time, which is still to be feared, what use will the governments make of it? If they file it in their archives without trying to work out an effective policy for armaments co-operation on the basis of its results, this will mean that the step taken in May 1976 will, at best, have been only a passing impulse with no future, or perhaps too an operation designed to deceive public opinion and let it be thought that there was a desire to succeed which was, in fact, inexistent. On the basis of its conclusions from the study, the Council should draw up directives to be addressed to all responsible authorities, both civil and military, national and international, so that it may be considered that it is applying the modified Brussels Treaty in armaments matters.

109. European armaments co-operation cannot therefore be considered as a purely military matter, nor purely industrial. It is both, but it is above all political, and the future of a Europe which can exist only if it proves itself adult and responsible, even in areas where it would be easier to keep silent, largely depends on the efforts and sacrifices which will effectively be made by all concerned to allow progress to be achieved.

